THE CURRENT SITUATION

Child care and preschool are necessities for working families, but the high price of care puts them out of reach for most. Parents are faced with impossible choices and are left weaving together a patchwork of care or making career sacrifices that affect their families’ economic security. Tennessee needs to increase public investment to make affordable, high-quality child care and preschool a reality for families and providers.

HOW TENNESSEE IS FALLING SHORT

Existing early learning supports are inadequate. Child care subsidies do not cover the cost of high-quality care, and they fail to reach the majority of families in need. State preschool programs are underfunded and rarely provide universal access for 3- and 4-year-olds. The limited revenues available to early learning programs leave the early childhood workforce woefully underpaid and restrict access to high-quality care to only the highest-income families.

OPPORTUNITIES

Expanding the child care subsidy system to cover all low- and middle-income families and providing universal preschool for all 3- and 4-year-olds are two critical steps Tennessee can take to support working families. Increasing public investment in the early learning system in this way would lead to substantial benefits for children, families, and the broader state economy.

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**Number of children under the age of 6**: 490,641

**Percent of children under the age of 6 with all available parents in the workforce**: 64.50%

**Average annual child care tuition for two children**: $15,814

**Percent of median income the average family spends on child care for two children**: 27%

**Percent of population that lives in a child care desert**: 48%

**Number of parents making career sacrifices due to issues with child care**: 38,034

**Percent of children under the age of 6 meeting federal income requirements who receive child care subsidies**: 6.70%

**Percent of 4-year-olds served by public preschool**: 28%

**Gap between the true cost of high-quality infant care and the current subsidy rate**: $16,018

**Percent of income the median family would pay to cover the true cost of high-quality child care for two children**: 66%

**Median hourly wage for child care workers**: $9.28

**Median hourly wage for preschool teachers**: $12.30

**Number of young children that an expanded child care subsidy system would serve**: 382,068

**Amount the median family with two children would save if child care costs were capped at 7 percent of family income**: $14,421

**Estimated annual state economic benefit of affordable child care**: $3.0 B

**Estimated annual state economic benefit of universal preschool**: $1.22 B
ENDNOTES


5. Center for American Progress, “Child Care Deserts,” available at childcaredeserts.org (last accessed July 2019).


10. Author’s analysis based on Workman and Jessen-Howard, “Understanding the True Cost of Child Care for Infants and Toddlers”; Kids Count Data Center, “Median family income among households with children.”


12. Ibid.


